

IN THE MATTER OF:)	AGREEMENT FOR RECOVERY OF PAST
San Gabriel Valley Superfund Sites,)	RESPONSE COSTS
)	U.S.EPA Region IX
Areas 1-4)	CERCLA Docket No. 2001-3
)		
Crown City Plating Company)	
4350 Temple City Blvd.)	PROCEEDING UNDER SECTION
El Monte, CA 91731)	122(h)(1) OF CERCLA
<u>SETTLING PARTY</u>)	42 U.S.C. § 9622(h)(1)

I. JURISDICTION

1. This Agreement is entered into pursuant to the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 122(h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9622(h)(1), which authority has been delegated to the Regional Administrators of the EPA by EPA Delegation No. 14-14-D. This authority has been redelegated to the Superfund Branch Chiefs by Region IX Delegation Order dated September 29, 1997.

2. This Agreement is made and entered into by EPA and Crown City Plating Company ("Settling Party"). Settling Party consents to and will not contest EPA's jurisdiction to enter into this Agreement or to implement or enforce its terms.

II. BACKGROUND

3. This Agreement concerns the El Monte Operable Unit of the San Gabriel Valley Superfund Site (the "Site") and the Crown City Plating Company property located at 4350 Temple City Blvd., El Monte, CA 91731 (the "Facility"). The Facility is located within and is a part of the Site, and EPA alleges that the Facility is a "facility" as defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

4. In response to the release or threatened release of hazardous substances at or from the Facility, EPA issued a Unilateral Administrative Order for Partial Remedial Investigation of the Facility and the Site (the "Order") to Settling Party pursuant to Section 106 of CERCLA, 42 U.S.C. § 9606.

5. In its oversight of Settling Party's implementation of the Order, EPA incurred response costs at or in connection with the Facility and the Site.

6. EPA alleges that Settling Party is a responsible party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and is jointly and severally liable for response costs incurred at or in connection with the Site.

7. EPA and Settling Party desire to resolve Settling Party's alleged civil liability for Past Response Costs in full, without litigation, and without the admission or adjudication of any issue of fact or law.

III. PARTIES BOUND

8. This Agreement shall be binding upon EPA and upon Settling Party and its successors and assigns. Any change in ownership or corporate or other legal status of Settling Party, including but not limited to, any transfer of assets or real or personal property, shall in no way alter Settling Party's responsibilities under this Agreement. Each signatory to this Agreement certifies that he or she is authorized to enter into the terms and conditions of this Agreement and to bind legally the party represented by him or her.

IV. DEFINITIONS

9. Unless otherwise expressly provided herein, terms used in this Agreement which are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Agreement or in any appendix attached hereto, the following definitions shall apply:

a. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.

b. "Agreement" shall mean this Agreement and any attached appendices. In the event of conflict between this Agreement and any appendix, the Agreement shall control.

c. "Day" shall mean a calendar day. In computing any period of time under this Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

d. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities of the United States.

e. "Interest" shall mean interest at the current rate specified for interest on investments of the Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a).

f. "Paragraph" shall mean a portion of this Agreement identified by an arabic numeral or a lower case letter.

g. "Parties" shall mean EPA and the Settling Party.

h. "Past Response Costs" shall mean all costs, including but not limited to direct and indirect costs, that EPA has paid or incurred at or in connection with the Order through December 31, 1999 not previously reimbursed by Settling Party plus accrued Interest on all such costs through the Effective Date of this Agreement. The Parties agree that Past Response Costs as so defined are \$ 77,501.20.

i. "Section" shall mean a portion of this Agreement identified by a roman numeral.

j. "United States" shall mean the United States of America, including its departments, agencies and instrumentalities.

V. REIMBURSEMENT OF RESPONSE COSTS

10. The Settling Party shall pay to the EPA Hazardous Substance Superfund the Past Response Costs in four installments (the "Installments"), including interest on the unpaid portion of Past Response Costs, as set out below.

INSTALLMENTS

Installment No. 1: \$19,375.30, due on the Effective Date.

Installment No. 2: \$19,375.30, plus accrued interest on the unpaid balance of the Past Response Costs, due on the first anniversary of the Effective Date.

Installment No. 3: \$19,375.30, plus accrued interest on the unpaid balance of the Past Response Costs, due on the second anniversary of the Effective Date.

Installment No. 4: \$19,375.30, plus accrued interest on the unpaid balance of the Past Response Costs, due on the third anniversary of the Effective Date.

11. Payments shall be made by certified or cashier's check made payable to "EPA Hazardous Substance Superfund." Each check shall reference the name and address of the party making payment and the Site name ("San Gabriel Valley Site, El Monte OU, Site BU") and shall be sent to:

U.S.EPA - Region 9
ATTN: Superfund Accounting
P.O.Box 360863M
Pittsburgh, PA 15251

12. At time of payment, Settling Party shall send notice that such payment has been made to:

James Collins
Assistant Regional Counsel
U.S.EPA, Region IX, ORC-3
75 Hawthorne Street

VI. FAILURE TO COMPLY WITH AGREEMENT

13. In the event that any payment required by Paragraph 10 is not made when due, Interest shall continue to accrue on the unpaid balance through the date of payment.

14. If any amounts due to EPA under Paragraph 10 are not paid by the required date, Settling Party shall pay to EPA, as a stipulated penalty, in addition to the interest required by Paragraph 13, \$200.00 per day that such payment is late.

15. Stipulated penalties are due and payable within 30 days of the date of demand for payment of the penalties. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall be made in accordance with Paragraph 11.

16. Penalties shall accrue as provided above regardless of whether EPA has notified Settling Party of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after performance is due, and shall continue to accrue through the final day of correction of the noncompliance or completion of the activity. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Agreement.

17. In addition to the interest and stipulated penalties payments required by this Section and any other remedies or sanctions available to EPA by virtue of Settling Party's failure to comply with the requirements of this Agreement, if Settling Party fails or refuses to comply with any term or condition of this Agreement, Settling Party shall be subject to enforcement action pursuant to Section 122(h)(3) of CERCLA, 42 U.S.C. § 9622(h)(3). If the United States, on behalf of EPA, brings an action to enforce this Agreement, Settling Party shall reimburse the United States for all costs of such action including, but not limited to, costs of attorney time.

18. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Agreement.

VII. COVENANT NOT TO SUE BY EPA

19. Except as specifically provided in Paragraph 20 (Reservations of Rights by EPA), EPA covenants not to sue Settling Party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), to recover Past Response Costs. This covenant shall take effect upon receipt by EPA of all amounts required by Section V (Reimbursement of Response Costs) and Section VI, Paragraph 13 (Interest on Late Payments). This covenant not to sue is conditioned upon the satisfactory performance by Settling Party of its obligations under this Agreement. This covenant not to sue extends only to Settling Party and does not extend to any other person.

VIII. RESERVATION OF RIGHTS BY EPA

20. The covenant not to sue by EPA set forth in Paragraph 19 does not pertain to any matters other than those expressly identified therein. EPA reserves, and this Agreement is without prejudice to, all rights against Settling Party with respect to all other matters, including but not limited to:

- a. liability for failure of Settling Party to meet a requirement of this Agreement;
- b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs;
- c. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606;
- d. criminal liability; and
- e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

21. Nothing in this Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States may have against any person, firm, corporation or other entity not a signatory to this Agreement.

IX. COVENANT NOT TO SUE BY SETTLING PARTY

22. Settling Party agrees not to assert any claims or causes of action against the United States, or its contractors or employees, with respect to Past Response Costs or this Agreement, including but not limited to:

- a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;
- b. any claims arising out of the response actions at the Facility or the Site for which the Past Response Costs were incurred; and
- c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to Past Response Costs.

Nothing in this Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. 300.700(d).

X. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

23. Nothing in this Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Agreement. EPA and Settling Party each reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action which each Party may have with respect to any matter, transaction, or occurrence relating in any way to the Site, against any person not a Party hereto.

24. EPA and Settling Party agree that the actions undertaken by Settling Party in accordance with this Agreement do not constitute an admission of any liability by Settling Party. Settling Party does not admit, and retains the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Agreement, the validity of the facts or allegations contained in Section II of this Agreement.

25. The Parties agree that Settling Party is entitled, as of the Effective Date of this Agreement, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in this Agreement. The "matters addressed" in this Agreement are Past Response Costs.

26. Settling Party agrees that with respect to any suit or claim for contribution brought by it for matters related to this Agreement, it will notify EPA in writing no later than 60 days prior to the initiation of such suit or claim. Settling Party also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Agreement, it will notify EPA in writing within 10 days of service of the complaint or claim upon it. In addition, Settling Party shall notify EPA within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Agreement.

27. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other appropriate relief relating to the Site, Settling Party shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue by EPA set forth in Paragraph 15.

XI. RETENTION OF RECORDS

28. Until 20 years after the effective date of this Agreement, Settling Party shall preserve and retain all records and documents now in its possession or control, or which come into its possession or control, that relate in any manner to response actions taken at the Site or to the liability of any person for response actions conducted and to be conducted at the Site, regardless of any corporate retention policy to the contrary.

29. After the conclusion of the document retention period in the preceding paragraph, Settling Party shall notify EPA at least 90 days prior to the destruction of any such records or documents, and, upon request by EPA, Settling Party shall deliver any such records or documents to EPA. Settling Party may assert that certain documents, records, or other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If Settling Party asserts such a privilege, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the subject of the document, record, or information; and 6) the privilege asserted. However, no documents, reports, or other information created or generated pursuant to the requirements of this or any other judicial or administrative settlement with the United States shall be withheld on the grounds that they are privileged. If a claim of privilege applies only to a portion of a document, the document shall be provided to EPA in redacted form to mask the privileged information only. Settling Party shall retain all records and documents it claims to be privileged until EPA has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in Settling Party's favor.

30. By signing this Agreement, Settling Party certifies that, to the best of its knowledge and belief, it has:

a. conducted a thorough, comprehensive, good faith search for documents, and has fully and accurately disclosed to EPA, all information currently in its possession, or in the possession of its officers, directors, employees, contractors or agents, which relates in any way to the ownership, operation or control of the Facility or the Site, or to the ownership, possession, generation, treatment, transportation, storage or disposal of a hazardous substance, pollutant or contaminant at or in connection with the Facility or the Site;

b. not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information relating to its potential liability regarding the Site, after notification of potential liability or the filing of a suit against Settling Party regarding the Facility or the Site; and

c. fully complied with any and all EPA requests for information regarding the Facility or the Site pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e).

XII. NOTICES AND SUBMISSIONS

31. Whenever, under the terms of this Agreement, notice is required to be given or a document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Written notice as specified herein shall constitute complete

satisfaction of any written notice requirement of this Agreement with respect to EPA and Settling Party.

As to EPA:

Bella Dizon
Remedial Project Manager (H-6-5)
Hazardous Waste Management Division
U.S.EPA, Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-2282
(415)744-2180 (facsimile)
and

James Collins
Assistant Regional Counsel (ORC-3)
Office of Regional Counsel
U.S.EPA, Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415)744-1345
(415)744-1041 (facsimile)

As to Settling Party:

Thomas A. Gardner
Chief Financial Officer
Crown City Plating Company
4350 Temple City Blvd.
El Monte, CA 91731
(626)444-9291
(626)448-6951 (facsimile)

XIII. INTEGRATION

32. This Agreement constitutes the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Agreement.

XIV. EFFECTIVE DATE

33. The effective date of this Agreement ("Effective Date") shall be the date it is executed by EPA.

IT IS SO AGREED:

U.S. Environmental Protection Agency

By: Elyse L. Adams
for JK

12/18/2000
Date

John Kemmerer
Superfund Branch Chief
Superfund Division

FOR SETTLING PARTY: Crown City Plating Company

By: [Signature]

12/11/00
Date



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

December 19, 2000

BY FACSIMILE (LETTER ONLY) AND US MAIL

Thomas A. Gardner
Chief Financial Officer
Crown City Plating Company
4350 Temple City Blvd.
El Monte, CA 91731

RE: Agreement for Payment of EPA Costs: Crown
City Plating Co., El Monte OU, San Gabriel
Valley Superfund Site, El Monte California

Dear Mr. Gardner:

Enclosed with the mailed copy of this letter is the referenced Agreement for the Recovery of past costs, executed by EPA and now fully effective. The effective date of the Agreement is December 18, 2000, the date EPA signed, and Crown City's first payment under the Agreement is due as of that date. Prompt payment of the first installment upon your receipt of this faxed letter will be sufficient as timely payment of the first installment. Please make the payment, and send the confirming notice, as set out in the Agreement.

Sincerely

James Collins
Assistant Regional Counsel

cc: Bella Dizon